

Department of Social and Health Services

DP Code/Title: M1-93 Mandatory Caseload Adjustments

Program Level - 080 Medical Assistance

Budget Period: 2003-05 Version: H2 080 2003-05 2004 Sup-Agency Req

Recommendation Summary Text:

This is a request for funding adjustments to meet the projected expenditures resulting from changes in Medical Assistance Administration (MAA) maintenance level caseload and utilization of medical services by clients of MAA, as estimated in the Medical Assistance October 2003 forecast. Statewide result number 5.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	14,390,000	3,114,000	17,504,000
001-7 General Fund - Basic Account-Private/Local	6,812,000	4,160,000	10,972,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	(32,253,000)	(53,114,000)	(85,367,000)
760-1 Health Services Account-State	(17,381,000)	(26,953,000)	(44,334,000)
Total Cost	(28,432,000)	(72,793,000)	(101,225,000)

Staffing

Package Description:

This decision package includes a funding adjustment for MAA medical services related to changes in the number of Caseload Forecast Council eligible persons as well as utilization of medical services.

Factors that affect utilization include changes in the intensity and duration of care, technology, and changes in the configuration of services provided to clients.

Narrative Justification and Impact Statement

How contributes to strategic plan:

This step contributes to the agency's strategic plan by assuring that MAA clients have access to quality health care services.

Performance Measure Detail

Program: 080

Goal: 10H Assure access to high quality health care

No measures submitted for package

Incremental Changes

FY 1

FY 2

Reason for change:

The forecasted changes in the MAA caseload result in a funding adjustment to maintain health services coverage at current levels for additional MAA clients.

Impact on clients and services:

This step includes funding projected as necessary to maintain existing services in the amount, duration, and scope as are available to persons who are currently eligible for medical assistance and for the additional persons who will become eligible for medical assistance.

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Impact on other state programs:

Funding in this step directly affects clients of virtually all other Department of Social and Health Services (DSHS) programs. MAA is obligated to pay the costs of certain necessary medical services for eligible MAA clients served by the Aging and Adult Services Administration, for medical assistance-eligible children served by the Children's Administration, and for eligible Health and Rehabilitative Services Administration clients. Basic medical care services for eligible DSHS populations are the responsibility of MAA.

Relationship to capital budget:

Not applicable

Required changes to existing RCW, WAC, contract, or plan:

No revisions are needed if funding is approved. Numerous RCW, WAC, and State Plan revisions would be required if funding in this step is not approved.

Alternatives explored by agency:

The requested funding adjustment supports the provision of medical service to MAA clients who are, for the most part, a population served under the Medicaid entitlement program. Therefore, no alternatives have been explored concerning other means of meeting these costs attributable to medical service utilization. MAA has systems in place that are intended to ensure that all services provided to clients are based on medical necessity and to identify and manage over-utilization of services when needed. MAA continues to seek ways of improving these utilization management systems.

Budget impacts in future biennia:

This caseload is forecasted every budget cycle.

Distinction between one-time and ongoing costs:

Costs are ongoing.

Effects of non-funding:

Non-funding of the caseload step is likely to result in the termination of coverage for certain optional eligibility groups and/or elimination of certain optional medical assistance services.

Expenditure Calculations and Assumptions:

Please see November 2003 MAA forecast.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
N Grants, Benefits & Client Services	(28,432,000)	(72,793,000)	(101,225,000)

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DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	14,390,000	3,114,000	17,504,000
<i>Total for Fund 001-1</i>		14,390,000	3,114,000	17,504,000
Fund 001-7, General Fund - Basic Account-Private/Local				
<u>Sources</u>	<u>Title</u>			
5417	Contributions & Grants	6,812,000	4,160,000	10,972,000
<i>Total for Fund 001-7</i>		6,812,000	4,160,000	10,972,000
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19TA	Title XIX Assistance (FMAP)	(32,253,000)	(53,114,000)	(85,367,000)
<i>Total for Fund 001-C</i>		(32,253,000)	(53,114,000)	(85,367,000)
Fund 760-1, Health Services Account-State				
<u>Sources</u>	<u>Title</u>			
7601	Health Services Account	(17,381,000)	(26,953,000)	(44,334,000)
<i>Total for Fund 760-1</i>		(17,381,000)	(26,953,000)	(44,334,000)
Total Overall Funding		(28,432,000)	(72,793,000)	(101,225,000)